

Message Text

CONFIDENTIAL

PAGE 01 NEW DE 06136 241652 Z

13

ACTION NEA-12

INFO OCT-01 EUR-25 ADP-00 EA-11 EB-11 TRSE-00 AID-20

COME-00 OPIC-12 OMB-01 CIAE-00 DODE-00 PM-07 H-02

INR-10 L-03 NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15

USIA-12 RSR-01 /158 W

----- 025657

R 241630 Z MAY 73

FM AMEMBASSY NEW DELHI

TO SECSTATE WASHDC 4572

INFO AMEMBASSY LONDON

AMEMBASSY ISLAMABAD

AMEMBASSY DACCA

AMEMBASSY PARIS

C O N F I D E N T I A L NEW DELHI 6136

E. O. 11652: GDS

TAGS: EAID, IN, UK, US

SUBJECT: AID INDIA CONSORTIUM MEETING IN JUNE - UK QUESTION

REF: (A) STATE 97730; (B) LONDON 5829

1. I CONVEYED TO THE BRITISH HIGH COMMISSIONER, SIR
TERENCE GARVEY, OUR VIEW THAT WE WOULD BE WILLING TO DISCUSS
WITH THE U. K. AND PERHAPS OTHERS THE GENERAL AREAS OF
DEBT RELIEF BURDEN SHARING FOR INDIA IN ADVANCE OF THE
CONSORTIUM MEETING, BUT ONLY BARELY, AS IT WERE, INASMUCH AS
WE ARE JUST NOW GETTING OUR OWN POSITION ESTABLISHED. HE
QUITE UNDERSTANDS, BUT DOES EVIDENTLY HOPE THAT SUCH A MEETING
CAN BE ARRANGED EVEN ON A LAST MINUTE BASIS.

2. GARVEY IS OF THE VIEW THAT THE DEBT BURDEN ON INDIA
IS SO GREAT NOW THAT A GENERAL REMISSION OF INTEREST PAYMENTS
SHOULD BE CONSIDERED. HE REPORTS THAT PRIME MINISTER HEATH
WAS OF THIS VIEW A YEAR AGO AND TRIED WITHOUT SUCCESS TO PERSUADE
OTHER COMMON MARKET MEMBERS. GARVEY MENTIONED POMPIDOU AS ONE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NEW DE 06136 241652 Z

OF THOSE WITH WHOM THE PRIME MINISTER WAS UNSUCCESSFUL. HE, GARVEY, RAISED IT IN A RECENT CHIEFS OF MISSION MEETING IN LONDON, AND AGAIN WITHOUT SUCCESS. WHICH IS TO SAY THIS IS NOT THE VIEW OF THE BRITISH TREASURY AND THE PRIME MINISTER IS NO LONGER ACTIVELY PRESSING IT. HOWEVER, IT IS GARVEY'S VIEW AND WE OUGHT TO EXPECT TO HEAR MORE OF IT.

3. THE BRITISH HERE HAVE COMPILED A TABLE OF " CURRENT TERMS AND CONDITIONS ATTACHED TO LOANS TO INDIA BY FOREIGN COUNTRIES AND AID DISBURSEMENTS" OF NINETEEN DONORS THIS YEAR, NINE ARE NEGATIVE, WHICH IS TO SAY THE COUNTRIES INVOLVED RECEIVE MORE FOREIGN EXCHANGE FROM INDIA THAN INDIA FROM THEM. BRITAIN, CANADA, AND WEST GERMANY ARE, IN THAT ORDER, THE ONLY MAJOR POSITIVE DONORS. THE LARGEST SINGLE CONTRIBUTION COMES FROM I. D. A., WHICH IS, OF COURSE, AN AMALGAM OF NATIONS, WITH AMERICA THE LARGEST CONTRIBUTOR. THE BRITISH TABLE GIVES COMPARABLE DATA FOR 1971/72, WHICH SHOWS THE US AS LARGEST POSITIVE DONOR (DOLS 271 MILLION VS MINUS DOLS 47 MILLION FOR CURRENT YEAR). TABLE DOES NOT POINT TO US, SO MUCH AS TO MEAGER OR NEGATIVE DONORS SUCH AS FRANCE AND JAPAN AND CONSISTENTLY NEGATIVE ONES SUCH AS USSR. GARVEY IS OF THE VIEW, OF COURSE, THAT THE HARD AID TERMS OF THESE OTHER COUNTRIES ARE AT THIS POINT IMPOSING A DISPROPORTIONATE BURDEN ON MORE GENEROUS NATIONS SUCH AS THE UK AND THE US.
MOYNIHAN

CONFIDENTIAL
NMAFVVZCZ

*** Current Handling Restrictions *** n/a
*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 24 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: willialc
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973NEWDE06136
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: NEW DELHI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730553/aaaajstw.tel
Line Count: 88
Locator: TEXT ON-LINE
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 STATE 97730, 73 LONDON 5829
Review Action: RELEASED, APPROVED
Review Authority: willialc
Review Comment: n/a
Review Content Flags:
Review Date: 07 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Aug-2001 by boyleja>; APPROVED <09-Oct-2001 by willialc>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980304
Subject: AID INDIA CONSORTIUM MEETING IN JUNE - UK QUESTION
TAGS: EAID, IN, UK, US
To: DACCA
ISLAMABAD
LONDON
NEA
PARIS
SECSTATE WASHDC
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005